

**MINUTES**  
**TRI-BOARD MEETING – DECEMBER 1, 2008**

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**I. Call to Order/Roll Call**

Board of Selectman Chairman Ted Teichert called the Tri-Board meeting to order at 7:30 P.M. in the School Committee Room in the School Administration Building. Present from the Board of Selectmen were: Chairman Teichert and members Alex J. Vispoli, Brian Major, Mary Lyman, and Gerry Stabile. Present from the Finance Committee were: Chair Joanne F. Marden and members Richard T. Howe, Mark Merritt, Cynthia Milne, Jon Stumpf, Tim Felter, and Paul Fortier. Also present were: Town Manager Reginald S. Stapczynski, Assistant Town Manager Steven S. Bucuzzo, and Finance Director Anthony J. Torrisi. Present from the School Committee were: Chair Debra Silberstein, and members Anthony James, Arthur Barber, Richard Collins, and Dennis Forgue. Also present were: Superintendent Claudia Bach and Business Administrator David Keniston.

Invitees: State Senator Sue Tucker, State Representative Barry Finegold and State Representative Barbara L'Italian.

The meeting was duly posted and cablecast live.

**II. Presentation of the Revenue and Expenditure Forecast for FY-2010**

Finance Committee Chair Joanne Marden said each year the budget process begins with the Capital Improvement Plan and the first look at revenue and expenditures after which the discussion of the budget begins. The budget is truly a collaborative event. The budget must be realistic, fiscally, responsible and sustainable. Today's economic crisis makes it more important to do things efficiently. Good information is essential to good decisions, and it is important to show respect for people's time and begin with well-defined agendas. Ms. Marden also requested that expectations be realistic and said it is important to clearly identify who is held accountable for decisions and to show collaboration. She said initiatives to save money such as, energy efficiencies and Special Education Initiatives need to be pursued if it makes better use of tax dollars. Numbers will change in light of new information as it comes forward and it is important to provide an opportunity for public input.

Senator Tucker stressed how important it is to have tonight's meeting. She talked about the state revenues we count on declining and said the Governor may need to make more cuts but he is trying to stay away from cutting local aid. As we speak, the Governors across the country are in Washington looking for a stimulus package for the states; she has been working on a municipal relief package. She thanked the Boards for inviting her to tonight's meeting. As a member of the Committee reviewing many home foreclosures, Senator Tucker stated she can say with certainty that the school system is the reason people move to Andover.

State Senator Barry Finegold is optimistic that Massachusetts will come out of the recession quicker than other states. It is still unknown when the local aid number will be available. State Representative L'Italian said last year's budget cycle provided an increase in Chapter 70 funds, this year it will be prudent to have a list of items to cut back on. The Special Ed Circuit Breaker has been cut from 75% to 72% along with cuts in Special Education Transportation. The State sales tax dropped by 2.4% and business tax receipts are all off this year leaving open the possibility for additional 9C cuts by the Governor. However, a number of bond bills passed that Andover fared well on.

The group talked about having several budget plans in place – one showing a level funded budget, one showing a 5% cut and one showing what a 10% cut would look like. Selectman Vispoli said there many areas towns can save on if the State made some changes (bidding laws, prevailing wage, etc). Dr. Bach shared a list of recommended relief items from the Massachusetts Association of School Superintendents and will have the list put on the school website.

State Senator Finegold suggested we consider moving the Town Meeting to June when a clearer understanding of the revenue is at hand. He also said real estate property values have not decreased in comparison to other towns.

John Pasquale, 47B Whittier Street, pleaded for the members of the boards to stay focused and to push forward with good ideas. John Zipeto, 14 Canterbury Street, said issues of infrastructure to the economy moving again and asked if there is anything in Massachusetts that would be potentially federally-funded.

The legislative group left the meeting and Joanne Marden thanked them for attending.

The Town Manager and Superintendent of Schools presented their plan for balancing the FY2010 Operating Budget. The plan provides a summary of revenue and expenditure items for FY2009 and projected FY2010, as well as what a five percent and ten percent decrease would look like. The Town Manager estimates an increase of 10% in the cost of Employee Health Insurance and Retired Teachers Health Insurance as well. Dr. Bach said the operating budget is currently \$91M and at level services would be \$97M. Available funds for 2010 are estimated to be \$93M but a 5% reduction in local/state aid would make it \$92M and a 10% reduction would result in \$91M in available operating expenditure funds. Joanne Marden said there is no way \$5M-\$10M in budget cuts can occur without losing people.

Cost saving control measures need to be instituted now and carried over to 2010. Dr. Bach suggested shutting down more buildings at night and consolidating activities into a few schools. Look to fund positions from other monies such as grants and foundations. Consider a hiring freeze on new positions and vacancies. Explore funding additional positions from revolving accounts; reach out to funding groups and organizations to help cover projects.

The group discussed meeting with union leaders to discuss cost-saving measures and to solicit their partnership to move ahead. Reduction of budgets will involve impacts on employees that will have to be bargained. The goal is to minimize the reduction of staff and to do so we need to think of different ways to deliver services. Reduction of FTE's throughout the Town/School, not filling vacancies, reduction of hours, consolidating duties and targeting retirements are areas to be considered. Efforts to encourage the State to reduce costly mandates and to fulfill their obligations need to be examined.

Additional cost saving possibilities discussed were a strategic restructuring of Town and School organizations implemented by the reorganization of departments/division offices to be considered; continued aggressive cost savings/control measures in energy use, solid waste and other operating costs, and Employee Health Insurance; collaboration with other cities/towns to seek opportunities for regional procurement of goods and services; selective user fee increases where warranted or necessary, and rental income from facilities and flexibility and discretion to take advantage of various cost saving options and opportunities as they come available. Success will depend upon the support and cooperation of all Boards, employees, and unions.

John Pasquale, 47 Whittier Street, suggested a professional negotiator be used to negotiate with unions. John Zipeto, 14 Canterbury Street, said it appears the suggestions revolve around collaboration with other towns; we only have so much time before the Warrant closes to do this, and still you have to have a tangible number to plan. He also asked what the means of communication would be for residents to submit ideas.

Selectman Lyman requested freezing positions be added to the Board of Selectman's agenda items.

Tony James said all initiates are terrific but he worries there are too many and feels we need to focus on big ticket items like health insurance and have a serious discussion about changes to the plan design.

Each Board will discuss the pros and cons of moving the date of Town Meeting from April to June. The next Tri-Board meeting will be held in January upon receiving the Governor's budget. Joanne Marden said an ambitious agenda has been put forth by Buzz Stapczynski, Claudia Bach, and Department Heads.

### **III. Review of the proposed Capital Improvement Plan for FY-2010**

The Town Manager presented his recommended Capital Expenditure Projects for FY2010 to the Tri-board as required by the Town By-laws and distributed his recommendations and funding summary to the three boards.

The total amount requested for the FY2010 CIP is \$7,826,632 which is one of the lowest amounts requested in many years and much less than the \$17.5 million originally requested by Department Heads. No single item listed would cause serious borrowing. The General Fund revenue for projects that maintain buildings, technology, and the fleet of town vehicles is \$1,780,000, the General Fund borrowing of \$3,000,000 is requested for major town and school projects, planning for replacement of Bancroft School and the Ballardvale Fire Station. Special dedicated funds in the amount of \$1,196,632 are earmarked for road repairs, parks, grounds, athletic fields and parking meters. The Water and Sewer Enterprise fund request of \$1,850,000 covers repairs and maintenance of equipment items for the Department of Public Works.

### **IV. Adjournment**

A motion was made by Selectmen Major to adjourn the Tri-board meeting; the motion was seconded by Selectman Vispoli, voted 5-0 and approved.

A motion was made by School Committee Member Tony James to adjourn the Tri-Board meeting. The motion was seconded by School Committee Member Arthur Barber, voted 5-0 and approved.

A motion to adjourn was made Finance Committee Member Tim Felter and seconded by Cynthia Milne.

The meeting adjourned at 9:44 P.M.

Respectfully submitted,  
Dee DeLorenzo, Recorder